

# **FISCAL NOTE**

## **SB 3053 - HB 3823**

February 4, 2008

**SUMMARY OF BILL:** Exempts from state and local sales tax the sale of compact fluorescent light fixtures and compact fluorescent light bulbs awarded the ENERGY STAR label if purchased by the consumer solely for household use.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue - \$2,599,800**

**Decrease Local Gov't. Revenue - \$835,700**

Assumptions:

- Compact fluorescent light fixtures and compact florescent light bulbs are assumed to be ENERGY STAR products.
- According to DOR, taxable sales of compact fluorescent light fixtures and compact fluorescent light bulbs that would become eligible for sales tax exemptions under this bill are estimated to be \$37,140,000 per year.
- The current state sales tax rate is 7.0%.
- The decrease of state revenue is estimated to be \$2,599,800 ( $\$37,140,000 \times 7.0\% = \$2,599,800$ ) per year.
- The local option sales tax rate is estimated to average 2.25%.
- The decrease of local government revenue is estimated to be \$835,700 ( $\$37,140,000 \times 2.25\% = \$835,650$ ) per year.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

**SB 3053 - HB 3823**

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc